

## CCM Testimony



545 Long Wharf Drive., 8th Floor, New Haven, CT 06511 • 203-498-3000

## Appropriations Committee

February 23, 2023

The Connecticut Conference of Municipalities (CCM) is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members representing 168 towns and cities.

HB 6659 AAC the State Budget for the Biennium Ending June 30, 2025 and Making Appropriations Therefor.

Governor Lamont's proposed budget recommends an increase of \$137m in education funding (\$46m in FY24 and \$91m in FY25) which maintains the planned 10yr phase-in to fully fund the education cost sharing (ECS) grant. While the need to increase education funding to towns and cities is critical, CCM has been working with legislative leaders and stakeholders in an effort to accelerate this phase in. Additionally, the proposed budget would see some municipalities receive a reduction in ECS funding due to the proposed phase down which had been paused during the previous two years to assist towns and cities navigate the COVID pandemic. Member towns and cities have questioned reinstating the phase down while the state continues to see record budget surpluses.

<u>CCM would recommend the committee support HB 5003</u> which would among other things, (a) fully fund Education Cost Sharing (ECS) grants; (b) expand ECS weighted funding to students attending public schools of choice (such as magnet schools, charter schools, VoAg schools and Open Choice programs) while protecting funding for local public schools; (c) eliminate general education tuition billing for magnet school operators and VoAg programs; (d) maintain the phase-out of funding for municipalities receiving reductions in their ECS grants.

The current educational finance system is overly reliant on local property tax revenue. In the country, Connecticut is one of the state's most reliant on the local property tax to fund public education. The cost for public education in our state is over \$12.3 billion and municipal property taxpayers fund 53.3% of that amount (\$6.6 billion), with the State and federal governments providing the balance. As a result, our system does not consider the vast disparities of wealth and student needs. English Learners, students who are economically disadvantaged, and students navigating their educational system in communities that experience concentrated poverty, all deserve to be funded at a level that makes a real and tangible difference.



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The current mechanism to provide education funding is inadequate and inequitable to meet the needs of Connecticut's student population. A particular drawback of the current system is that it fails to account for a student-based approach to improve the outcomes for all students. Resources and support have an impact on student outcome. In particular, increased class sizes, declining teachers, fewer paraprofessionals, lack of mental health support, and outdated instructional material negatively contribute to student needs

A greater emphasis and support for a student-based approach – as recommended in HB 5003 – will improve student outcomes. These outcomes can, among other things, result in higher test scores, higher earnings later in life, and promote additional years of educational completion. We need this investment to help our youth reach their full potential.

In addition, deficiencies in our education finance contributed to a skill labor shortage that is hindering Connecticut's economic growth, limiting business opportunities, and hurting our state's financial future. This was certainly exacerbated through the learning losses associated with COVID-19. With increased transparency in education funding, as well as employing a student -based approach, HB 5003 will also provide municipalities the economic stability to make meaningful, long-term investments in resources such as teachers, counselors, and career pathways and readiness programming that will set upward mobility for student success.

While necessary federal funding has provided a "bridge" in reducing the racial funding gap for schools, additional support is necessary for sustainability. This bill would reduce those economic disparities, with a focus towards improving student outcomes, while also ensuring funding is viable in future years.

Maintaining municipal aid at or close to current levels does not offset the impact of increased costs, unfunded and underfunded mandates. CCM will work with the Governor and legislative leaders to continue to implement needed mandate relief and or allow for revenue diversification. Without these needed reforms, by simply maintaining current levels of state aid to our towns and cities, simply increases the burden on the local property tax.

If you have any questions, please contact Randy Collins, Advocacy Manager of CCM at rcollins@ccm-ct.org or (860) 707-6446.